



KING COUNTY
Signature Report

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

June 14, 2010

Ordinance 16858

Proposed No. 2010-0262.3

Sponsors Patterson

1 AN ORDINANCE determining the monetary requirements
2 for the disposal of sewage for the fiscal year beginning
3 January 1, 2011, and ending December 31, 2011, setting
4 the sewer rate for the fiscal year beginning January 1, 2011,
5 and ending December 31, 2011, and approving the amount
6 of the sewage treatment capacity charge for 2011, in
7 accordance with RCW 35.58.570; and amending Ordinance
8 12353, Section 2, as amended, and K.C.C. 4.90.010, and
9 Ordinance 11398, Section 1, as amended, and K.C.C.
10 28.84.055.

11 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

12 SECTION 1. Ordinance 12353, Section 2, as amended, and K.C.C. 4.90.010 are
13 each hereby amended to read as follows:

14 A. Having determined the monetary requirements for the disposal of sewage, the
15 council hereby adopts a ((2010)) 2011 sewer rate of ((~~thirty one dollars and ninety cents~~))
16 thirty-six dollars and ten cents per residential customer equivalent per month. Once a
17 sewer rate ordinance becomes effective, the clerk of the council is directed to deliver a
18 copy of that ordinance to each agency having an agreement for sewage disposal with
19 King County.

20 B. The King County council approves the application of Statement of Financial
21 Accounting Standards No. 71 (FAS 71) to treat pollution remediation obligations and the
22 first year start-up costs after construction on new plants as regulatory assets, and establish
23 a rate stabilization reserve for the purpose of leveling rates between years.

24 C. As required for FAS 71 application, amounts are to be placed in the rate
25 stabilization reserve from operating revenues and removed from the calculation of debt
26 service coverage. The reserve balance shall be an amount at least sufficient to maintain a
27 level sewer rate between ~~((2009 and 2010))~~ 2011 and 2012, and shall be used solely for
28 the purposes of: maintaining the level sewer rate in ~~((2010))~~ 2012; and if additional
29 reserve balance is available, moderating future rate increases beyond ~~((2010))~~ 2012. If
30 the estimated amount of the reserve, as shown in the financial forecast, Attachment A to
31 ~~((Ordinance-16554))~~ this ordinance, needs to be reduced to meet debt service coverage
32 requirements for ~~((2009))~~ 2010, the county executive shall notify the council of the
33 change by providing an updated financial forecast.

34 D. The executive shall provide monthly cost reports to the council on Brightwater
35 as outlined in K.C.C. 28.86.165.

36 SECTION 2. Monetary requirements for the disposal of sewage as defined by
37 contract with the component sewer agencies for the fiscal year beginning January 1,
38 2011, and ending December 31, 2011. The council hereby determines the monetary
39 requirements for the disposal of sewage as follows:

40 Administration, operating, maintenance repair and replace (net of other income):
41 \$62,940,569.

42 Establishment and maintenance of necessary working capital reserves:

43 \$12,709,607.

44 Requirements of revenue bond resolutions (not included in above items and net of
45 interest income): \$228,891,049.

46 TOTAL: \$304,541,225.

47 SECTION 3. Ordinance 11398, Section 1, as amended, and K.C.C. 28.84.055 are
48 each hereby amended as follows:

49 A. The amount of the 1994 metropolitan sewage facility capacity charge adopted
50 by K.C.C. 28.84.050.O. shall be seven dollars per month per residential customer or
51 residential customer equivalent for fifteen years.

52 B. The amount of the 1995 metropolitan sewage facility capacity charge adopted
53 by K.C.C. 28.84.050.O. shall be seven dollars per month per residential customer or
54 residential customer equivalent for fifteen years.

55 C. The sewage treatment capacity charge shall be seven dollars per month per
56 residential customer or equivalent for fifteen years for sewer connections occurring
57 between and including January 1, 1996, and December 31, 1996.

58 D. The amount of the sewage treatment capacity charge adopted by K.C.C.
59 28.84.050.O. shall be seven dollars per month per residential customer or equivalent for
60 fifteen years for sewer connections occurring between and including January 1, 1997, and
61 December 31, 1997.

62 E. The amount of the sewage treatment capacity charge adopted by K.C.C.
63 28.84.050.O. shall be ten dollars and fifty cents per month per residential customer or
64 equivalent for fifteen years for sewer connections occurring between and including
65 January 1, 1998, and December 31, 1998.

66 F. The amount of the sewage treatment capacity charge adopted by K.C.C.
67 28.84.050.O. shall be ten dollars and fifty cents per month per residential customer or
68 equivalent for fifteen years for sewer connections occurring between and including
69 January 1, 1999, and December 31, 1999.

70 G. The amount of the sewage treatment capacity charge adopted by K.C.C.
71 28.84.050.O. shall be ten dollars and fifty cents per month per residential customer or
72 equivalent for fifteen years for sewer connections occurring between and including
73 January 1, 2000, and December 31, 2000.

74 H. The amount of the sewage treatment capacity charge adopted by K.C.C.
75 28.84.050.O. shall be ten dollars and fifty cents per month per residential customer or
76 equivalent for fifteen years for sewer connections occurring between and including
77 January 1, 2001, and December 31, 2001.

78 I. The amount of the sewage treatment capacity charge adopted by K.C.C.
79 28.84.050.O. shall be seventeen dollars and twenty cents per month per residential
80 customer or equivalent for fifteen years for sewer connections occurring between and
81 including January 1, 2002, and December 31, 2002.

82 J. The amount of the sewage treatment capacity charge adopted by K.C.C.
83 28.84.050.O. shall be seventeen dollars and sixty cents per month per residential
84 customer or equivalent for fifteen years for sewer connections occurring between and
85 including January 1, 2003, and December 31, 2003.

86 K. The amount of the sewage treatment capacity charge adopted by K.C.C.
87 28.84.050.O. shall be eighteen dollars per month per residential customer or equivalent

88 for fifteen years for sewer connections occurring between and including January 1, 2004,
89 and December 31, 2004.

90 L. The amount of the sewage treatment capacity charge adopted by K.C.C.
91 28.84.050.O. shall be thirty-four dollars and five cents per month per residential customer
92 or equivalent for fifteen years for sewer connections occurring between and including
93 January 1, 2005, and December 31, 2005.

94 M. The amount of the sewage treatment capacity charge adopted by K.C.C.
95 28.84.050.O. shall be thirty-four dollars and five cents per month per residential customer
96 or equivalent for fifteen years for sewer connections occurring between and including
97 January 1, 2006, and December 31, 2006.

98 N. The amount of the sewage treatment capacity charge adopted by K.C.C.
99 28.84.050.O. shall be forty-two dollars per month per residential customer or equivalent
100 for fifteen years for sewer connections occurring between and including January 1, 2007,
101 and December 31, 2007.

102 O. The amount of the sewage treatment capacity charge adopted by K.C.C.
103 28.84.050.O. shall be forty-six dollars and twenty-five cents per month per residential
104 customer or equivalent for fifteen years for sewer connections occurring between and
105 including January 1, 2008, and December 31, 2008.

106 P. The amount of the sewage treatment capacity charge adopted by K.C.C.
107 28.84.050.O. shall be forty-seven dollars and sixty-four cents per month per residential
108 customer or equivalent for fifteen years for sewer connections occurring between and
109 including January 1, 2009, and December 31, 2009.

110 Q. The amount of the sewage treatment capacity charge adopted by K.C.C.
111 28.84.050.O. shall be forty-nine dollars and seven cents per month per residential
112 customer or equivalent for fifteen years for sewer connections occurring between and
113 including January 1, 2010, and December 31, 2010.

114 R. The amount of the sewage treatment capacity charge adopted by K.C.C.
115 28.84.050.O. shall be fifty dollars and forty-five cents per month per residential customer
116 or equivalent for fifteen years for sewer connections occurring between and including
117 January 1, 2011, and December 31, 2011.

118 In accordance with adopted policy FP-15.3.d. in the Regional Wastewater
119 Services Plan, K.C.C. 28.86.160.C., it is the council's intent to base the capacity charge
120 upon the costs, customer growth and related financial assumptions used in the Regional
121 Wastewater Services Plan.

122 In accordance with adopted policy FP- 6 in the Regional Wastewater Services
123 Plan, K.C.C. 28.86.160.C, the council hereby approves the cash balance and reserves as
124 contained in the attached financial plan for ((2010)) 2011.

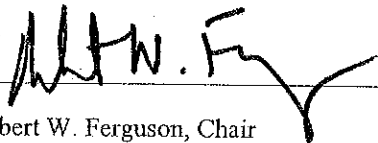
125 In accordance with adopted policy FP- 15.3.c., King County shall pursue changes
126 in state legislation to enable the county to require payment of the capacity charge in a

127 single payment, while preserving the option for new ratepayers to finance the capacity
128 charge.
129

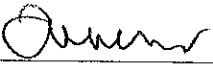
Ordinance 16858 was introduced on 4/26/2010 and passed as amended by the Metropolitan King County Council on 6/14/2010, by the following vote:

Yes: 9 - Ms. Drago, Mr. Phillips, Mr. von Reichbauer, Mr. Gossett,
Ms. Hague, Ms. Patterson, Ms. Lambert, Mr. Ferguson and Mr. Dunn
No: 0
Excused: 0

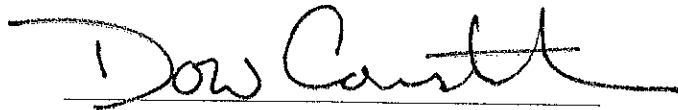
KING COUNTY COUNCIL
KING COUNTY, WASHINGTON


Robert W. Ferguson, Chair

ATTEST:


Anne Noris, Clerk of the Council

APPROVED this 16 day of JUNE, 2010.


Dow Constantine, County Executive

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CLERK
KING COUNTY COUNCIL

Attachments: A. Wastewater Treatment Division Financial Plan for the 2011 Amended Proposed Sewer Rate